

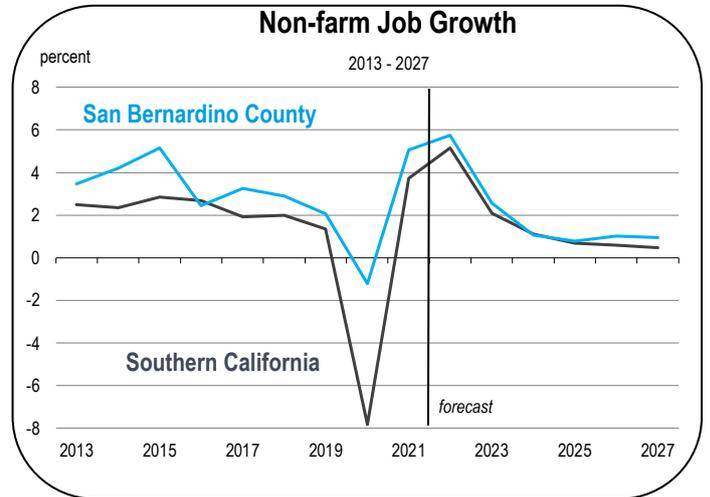
# San Bernardino County Economic Forecast

## Forecast Summary

- Employment in San Bernardino County rose by 38,000 jobs in 2021, a 4.9 percent increase.
- In 2022, an estimated 46,000 jobs will be created, surpassing the pre-pandemic level of total employment.
- Employment gains in 2022 will be largest in leisure services, transportation and warehousing, healthcare, and state & local government.
- The unemployment rate averaged 7.4 percent in 2021. It is expected to average 4.2 percent in 2022.
- The San Bernardino County population is expanding faster than the population of broader Southern California, and this trend will continue. Because of new job opportunities, affordable home prices, and new home building, net migration into the county will be positive.
- More housing units will be built over the 2022-2027 period than were built during the 2016-2021 period.
- Home prices rose sharply in 2021, increasing by 18 percent. The median selling value is forecast to increase 11 percent in 2022.

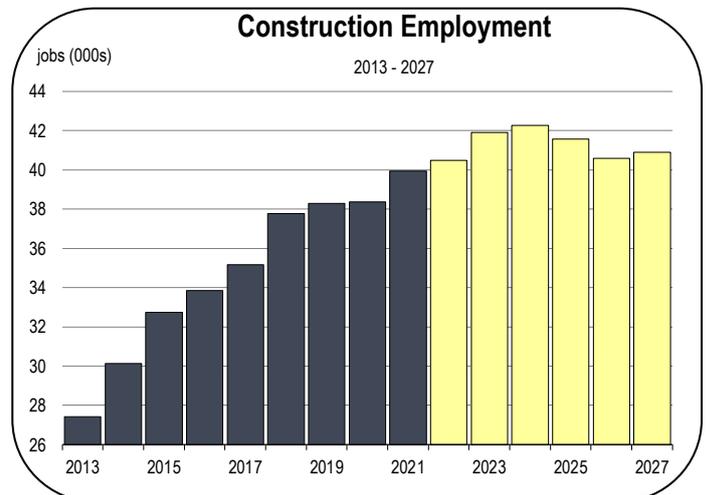
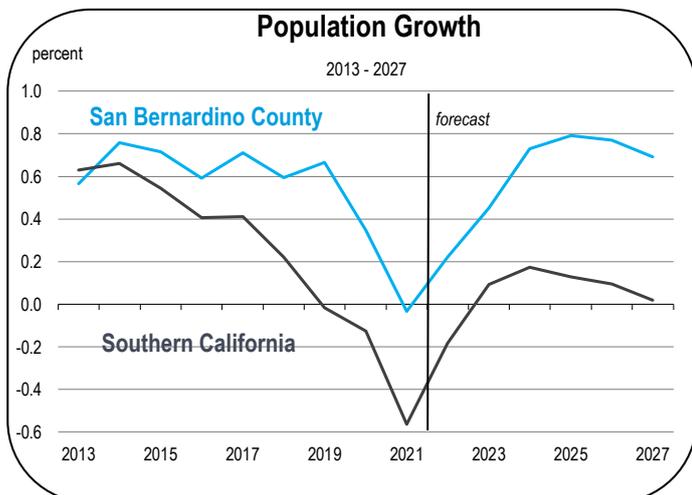
## Job Growth

- Total employment in San Bernardino County will expand by 5.7 percent in 2022 and 3.2 percent in 2023.
- Over the entire forecast period, job growth in San Bernardino County will be similar to the Southern California average of 2.1 percent per year.

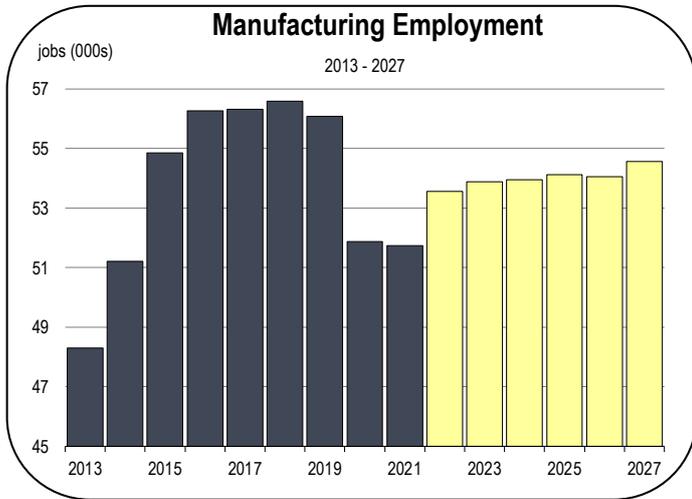


## Construction Employment

- Construction employment rose 4.1 percent in 2021 and is on pace to rise 1.4 percent in 2022.
- Construction employment levels have been rising in earnest since 2011, due largely to the development of logistics centers.
- The construction sector is expected to gain approximately 1,000 jobs in 2022 and another 1,300 jobs in 2023.
- Due to the busy development pipeline of industrial structures and housing, the construction workforce will remain at historically high levels over the forecast.



# San Bernardino County Economic Forecast

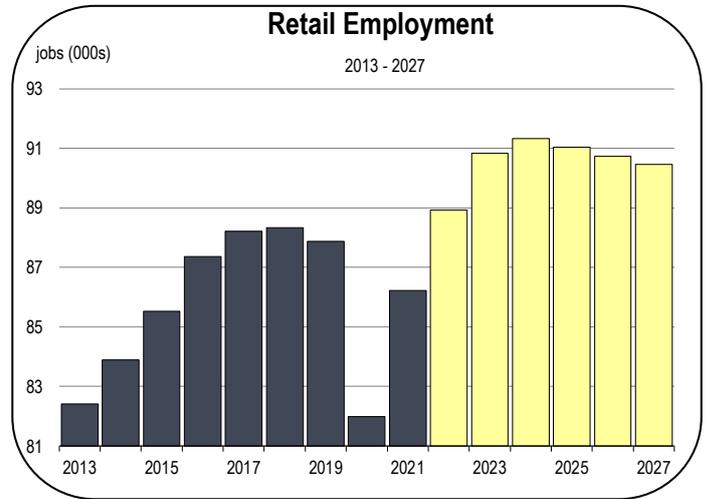
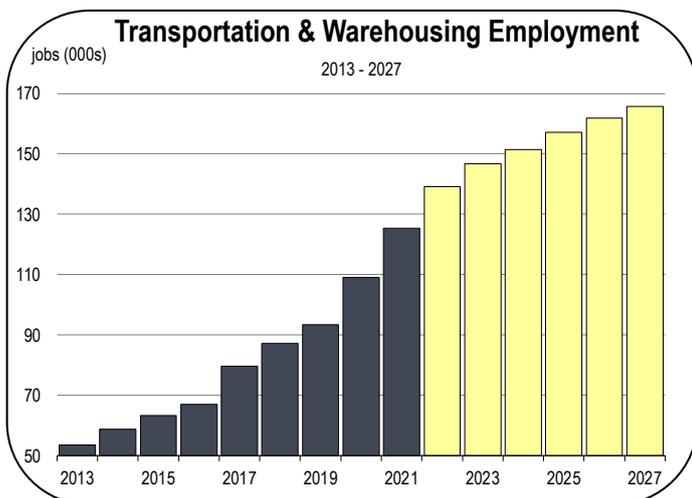


## Manufacturing Employment

- Manufacturing employs 54,000 workers in the county. The leading sectors are fabricated metal, food processing, plastics and rubber, and transportation equipment.
- A rebound of an estimated 2,000 manufacturing jobs is forecast for 2022. Manufacturing will remain important to the economy especially as it transitions to advanced manufacturing processes, but a meaningful expansion of the labor market is unlikely over the forecast.

## Transportation and Warehousing Employment

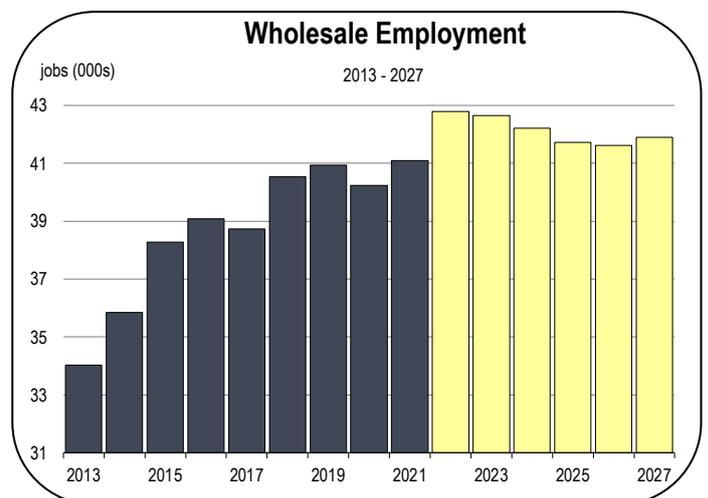
- The overall transportation and warehousing industry generated 16,400 new jobs in 2021 with all major subsectors expanding rapidly.
- Logistics - the collection and distribution of goods to consumers - dominates this sector in the broader Inland Empire. The principal occupations are warehouse jobs (122,000 in 2021), trucking jobs (32,000), and local delivery jobs (23,000).



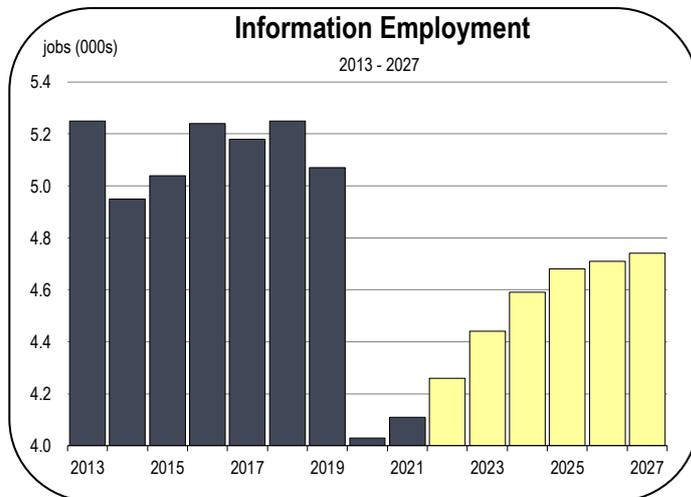
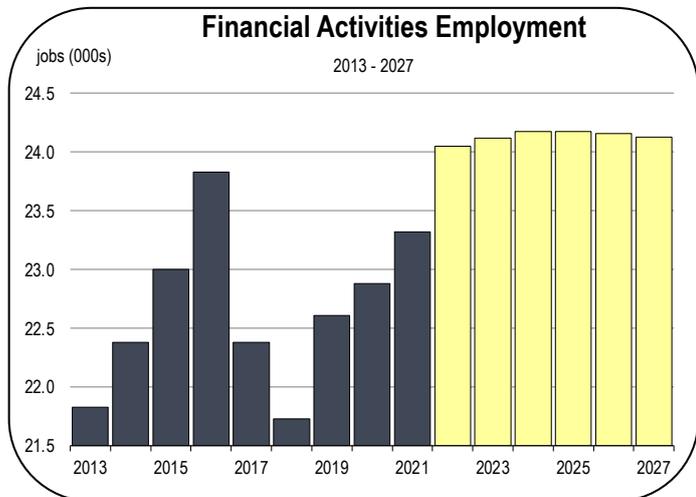
- In 2022, the pace of job creation will result in another 14,000 jobs created to staff new warehouse facilities in San Bernardino County.
- Currently, Amazon employs over 10,000 workers, principally at the Redland and San Bernardino Fulfillment Centers.
- This sector will continue to expand throughout the forecast period, but the growth rate of jobs are likely to subside. Currently, new warehouse facilities and continued expansion of space is subject to a temporary building moratorium in Redlands, Chino, Colton, and Fontana.

## Retail Trade Employment

- Retail employment increased by 5 percent in 2021, an addition of 4,200 jobs.
- Retail employment has continued to expand in 2022, with an estimated addition of 2,700 jobs.
- Automation with the retail sector and the transition to online shopping will render local retail jobs vulnerable to contraction over time.



# San Bernardino County Economic Forecast

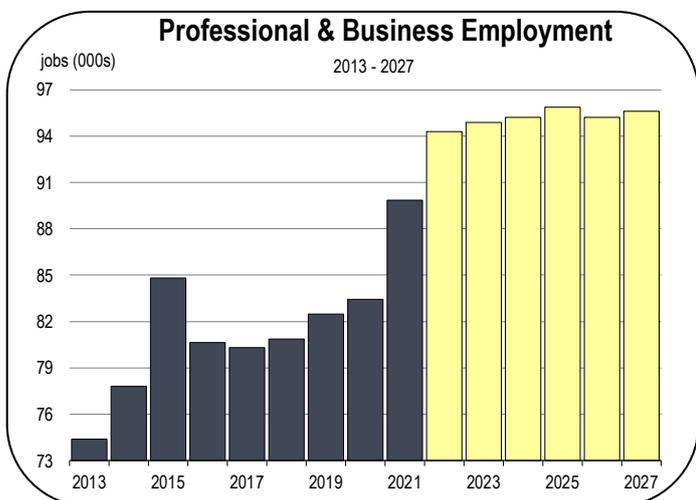


## Wholesale Trade Employment

- Growth of jobs in the wholesale sector has been minimal over the last 4 years due in large part to labor-saving automation that has reduced salesperson numbers and warehouse workers.
- Some job growth is probable in the greater Inland Empire, but the sector will remain relatively stable over the forecast.

## Financial Activities Employment

- The financial activities industry gained 450 jobs during 2021. Employment is largely in the banking, lending, and insurance subsector.
- Employment will increase by 750 jobs in 2022 and another 100 jobs in 2023.
- Over the forecast, job growth will be observed at real estate brokerages and leasing offices, with offsetting job consolidation in banking and insurance.



## Professional and Business Services Employment

- The three principal subsectors are professional, scientific and technical consulting, management, and administrative support together with the maintenance of buildings.
- The largest sector is administrative support which accounts for 67 percent of all jobs. This sector is expected to grow in support of all industries comprising the regional economy
- Administrative services grew by 5,400 jobs in 2021, while the technical services subsector grew by 1,000 jobs.
- The pace of job formation in 2022 will result in another 4,500 jobs in the professional business services sector.

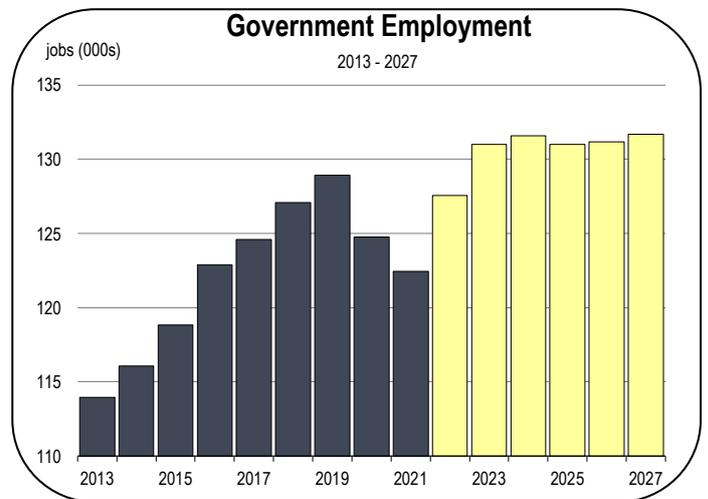
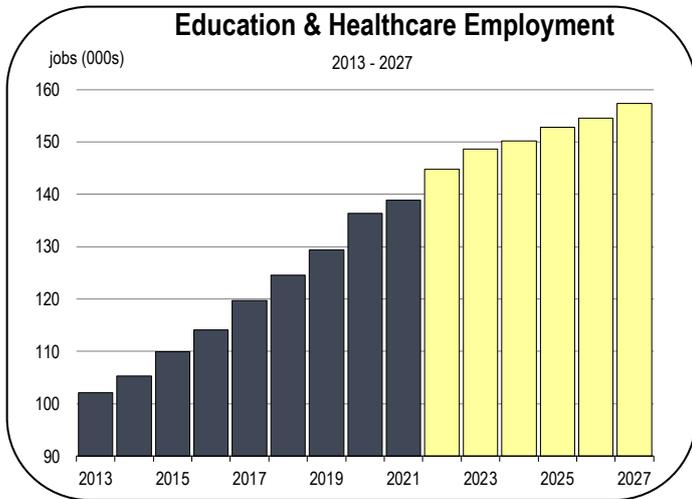
## Information Employment

- In San Bernardino County, the information sector is dominated by telecommunications firms and movie theaters.
- Across all subsectors, only about 80 jobs were added in 2021.
- The information industry is expected to gain 160 jobs in 2022, and grow only modestly as a result of the need for website design and networks over the forecast.

## Private Education and Healthcare Employment

- Healthcare companies are among the largest 25 companies in the county in terms of headcount. The large hospitals include Arrowhead Regional Medical Center in Colton with 2,500 employees, Dignity Health Community Hospital in San Bernardino, Loma Linda University Medical Center, Redlands Community Hospital, San Antonio Regional Hospital in Upland, and San Bernardino Medical Center.

# San Bernardino County Economic Forecast



- The psychiatric state hospital located in Patton operates 1,527 beds and employs 2,380 workers. Felony and misdemeanor defendants found incompetent by a court are placed in Patton State Hospital.
- Asuza Pacific University, Claremont McKenna College, Concorde Career College, Loma Linda University, and University of Redlands (the largest with 4,566 students) are the principal private post-secondary schools in the county. The 9 four-year private schools in the county enroll approximately 21,000 undergraduate students.
- Overall, the healthcare and education industry will create 5,900 jobs in 2022 and another 3,800 jobs in 2023.

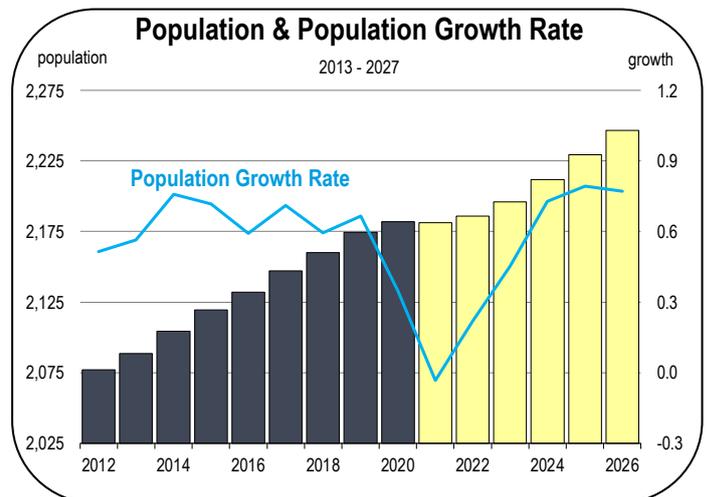
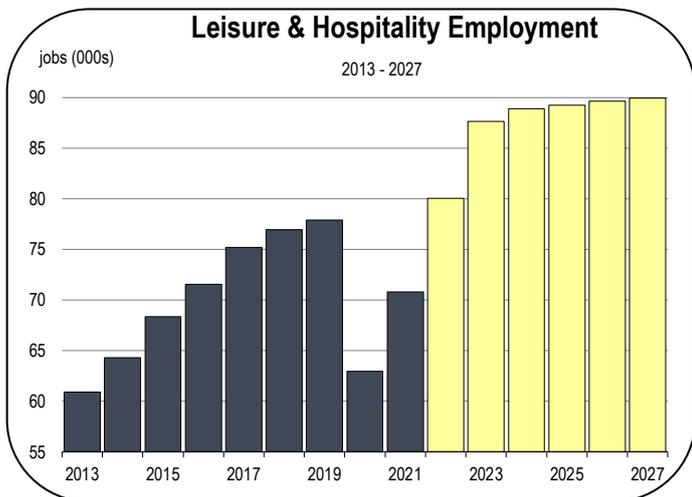
- The leisure and hospitality sector is expected to regain 9,300 jobs in 2022 and another 7,600 jobs in 2023.

## Government Employment

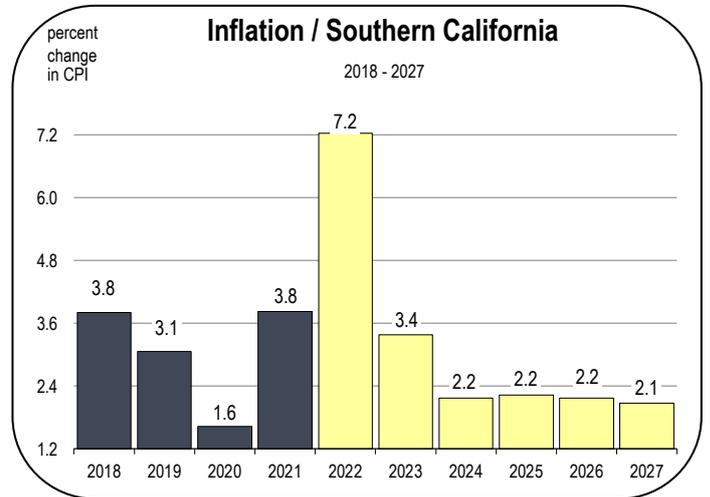
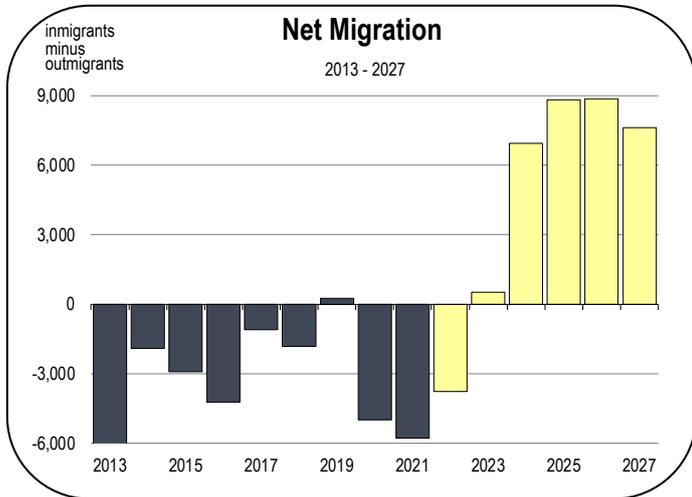
- State and local government agencies continued to shrink in 2021 as fallout from the pandemic recession of 2020. Conditions substantially changed in 2022 when over 5,000 jobs will be reinstated within the public sector.
- The County of San Bernardino is the largest employer with 16,000 workers.
- CSU San Bernardino employs 2,100 staff, faculty, and administrators and has a Fall 2022 enrollment of 19,150 students.
- Total government employment is expected to increase 4.2 percent in 2022 and 2.7 percent in 2023.

## Leisure and Hospitality Employment

- In 2021, the entire sector reinstated 7,840 jobs, dominating job creation in the county.
- The arts, entertainment, and recreation subsector grew by 15.5 percent, adding 800 jobs, while employment in food delivery services grew by 9.4 percent, adding 6,000 jobs.



# San Bernardino County Economic Forecast

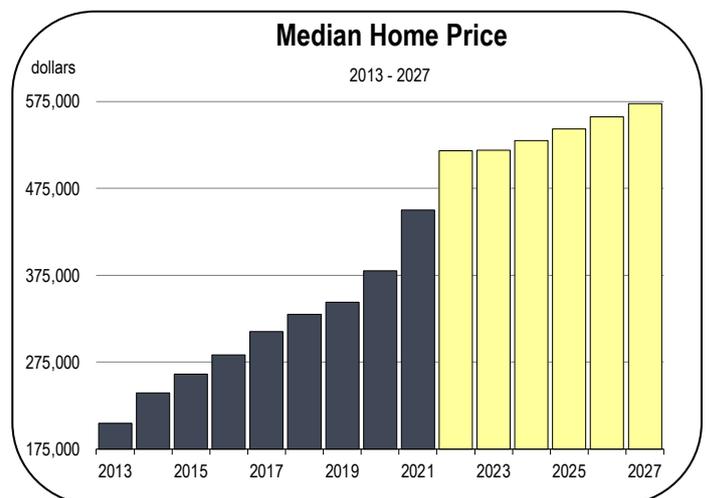
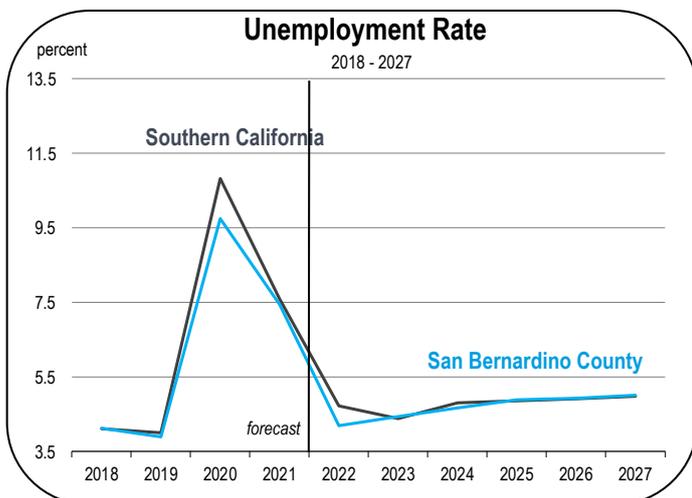


## Population Growth

- Population growth increased slightly in 2021, rising just 0.2 percent.
- The jobs fallout in 2020 precipitated significant out-migration. Approximately 5,000 net migrants exited the county in 2020, and 6,000 left in 2021. Expanding job opportunities and affordable housing will lead to a wave of in-migration over the forecast period.
- An average of 4,800 net migrants are expected each year between 2022 and 2027. During the forecast period, population growth will average 0.6 percent per year and the county will surpass 2.26 million residents by 2027.
- Riverside and San Bernardino Counties will join a short list of the 5 fastest growing counties for population in California over the forecast.

## Unemployment and Inflation Rates

- The unemployment rate in San Bernardino County averaged 7.4 percent in 2021 which was 0.1 percent greater than the composite rate for Southern California.
- The unemployment rate is expected to average 4.2 percent in 2022 and 4.4 percent in 2023.
- Inflation soared in 2021 and is expected to remain elevated in 2022 and 2023.
- During 2022 and into 2023, there will be a number of factors that will contribute to higher-than-normal inflation. The most prominent will be:
  - Spending by consumers and the federal government that was especially prolific in 2021 and 2022
  - Global supply chain interruptions (from the pandemic) that have raised the cost of production for many businesses



# San Bernardino County Economic Forecast

- Sharp increases in the cost of housing and energy
- Labor market recruitment challenges that have led to surging wage increase
- Combined, these factors have pushed 2022 inflation to its highest rate in 40 years. Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2022 and 2023.
- However, inflation will gradually decelerate in 2023 as supply chains are restored, and the impending economic slowdown moderates the demand for labor and wage increases. Average inflation rates eventually decline to 3 percent again by 2024.

## Home Prices and New Housing Production

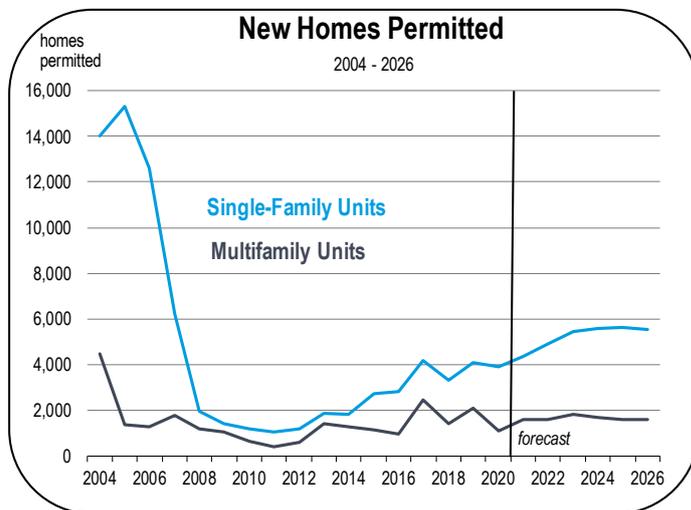
- The median home price was \$450,000 in 2021, an increase of 14 percent from the previous year.
- Home selling prices will increase in 2022 at a rate between 10 and 12 percent. The median price for a single-family home during 2022 is \$471,850. Monthly median selling values for home sold since July 2022 have been in decline.
- Between 2016 and 2021, approximately 5,550 homes were built each year, and the units were principally single-family homes rather than apartments.
- Between 2022 and 2027, production will average 7,600 units per year and the lion's share will be single family detached homes.

## Amazon's Largest Warehouse In The World Comes To Inland Empire

Amazon is adding a 5-story, 4-million-sq.-ft. warehouse to its more than 17.9 million square feet of Southern California warehouse space.

Ashley Ludwig Patch Staff

Posted Tue, May 31, 2022 at 10:33 am PT | Updated Thu, Jun 2, 2022 at 6:22 am PT



- There has been unprecedented demand for industrial space in the county. The vacancy rate in the second quarter of 2022 was a scant 0.6 percent. There is steady demand for space---especially large spaces. Surging demand is the result of e-commerce growth which increased an estimated 50 percent from 2019 to 2021. The Inland Empire is now the most sought-after region for large industrial space in the nation.
- For example, the one-million-square-foot Hesperia Commerce Center was recently completed (late 2021) and immediately leased by Modway Inc, a distributor of home and office furniture and lighting.
- Newmark estimates that 33.3 million square feet of industrial space are under construction across the Inland Empire in 2022.
- The office market has also fully recovered from the pandemic recession of 2020. As of mid-2022, the rate of office space vacancy was 7.9 percent for the entire Inland Empire, due to the region's affordability and proximity to an expanding labor force.
- Ontario Ranch Business Park is a 1.9 million square foot industrial project. The first part of the entire buildout is underway: a Class A, seven-building project totaling 1.7 million square feet. Already pre-leased to Home Depot is the largest building, totaling 1.1 million square feet.
- Amazon is building the largest warehouse structure in the world in Ontario, California. The 5-story, 4.1-million square foot warehouse is scheduled to be completed in mid-2024. It will employ 1,500 workers. The Ontario area already has the highest concentration of warehouses (290 buildings) than any other area of Southern California.

# San Bernardino County Economic Forecast

- Tapestry, the largest housing project in the Inland Empire broke ground in 2021 in Hesperia. The master-planned community will accommodate 15,663 homes, and 700,000 square feet of retail and commercial space. It's likely a 20-year project, and it will increase the city's population by an estimated 40,000 residents. The first homes will be sold in 2023.
- Calimesa has 3,052 approved home sites which were purchased in 2021 by two builders for development. The Summerwind master-planned community's first phase is under construction with 600 homes.
- Housing projects in Ontario Ranch now comprise an approved total of 10,455 single-family homes and 10,659 multiple-family residences. This master planned community is one of the fastest growing in the U.S.
- Three hotels totaling 609 rooms opened in San Bernardino County in 2022. The largest is the San Manuel 432-room Yaamava' Casino & Resort. Four additional hotels with 625 rooms are under construction in 2022.

## Solar Power Facilities

The county has two of the largest solar power generating systems in the United States, the Ivanpah Solar Facility and Stateline Solar, located nearby. Ivanpah Solar has a gross capacity of 392 megawatts. When it opened in 2014, it was the world's largest solar thermal power station. It is now generating its planned potential in power.

Stateline Solar is a 300 MW solar photovoltaic power station, employing approximately 3.2 million panels. The facility came online in 2015. It is now operated by Southern California Edison.



Ivanpah Solar Facility

# San Bernardino County Economic Forecast

## Economic Indicators

## 2015-2021 History, 2022-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (millions)	Inflation Rate (percent)
2015	2,119,575	625.6	-2,925	3,912	1,761	\$77	\$23	\$36	17.4	\$42,908	6.5	\$548	0.9
2016	2,132,121	629.4	-4,236	3,761	1,842	\$80	\$24	\$37	17.5	\$43,760	5.8	\$530	1.9
2017	2,147,291	634.1	-1,093	6,672	1,854	\$83	\$25	\$38	17.7	\$43,848	5.0	\$525	2.8
2018	2,160,036	638.7	-1,832	4,713	1,883	\$87	\$26	\$41	18.0	\$43,800	4.1	\$537	3.8
2019	2,174,437	643.5	253	6,158	1,938	\$92	\$27	\$42	18.5	\$44,479	3.9	\$405	3.1
2020	2,181,983	646.2	-4,988	5,020	1,952	\$98	\$28	\$42	21.3	\$46,702	9.7	\$436	1.6
2021	2,181,258	649.3	-5,788	6,976	1,907	\$104	\$38	\$55	22.7	\$47,826	7.4	\$415	3.8
2022	2,186,063	652.6	-3,766	6,439	1,900	\$112	\$38	\$59	23.4	\$47,877	4.2	\$400	7.2
2023	2,195,939	658.3	512	7,245	1,916	\$118	\$39	\$60	23.9	\$48,337	4.4	\$393	3.4
2024	2,211,942	664.8	6,945	7,579	1,949	\$121	\$40	\$60	24.5	\$48,434	4.7	\$386	2.2
2025	2,229,474	671.6	8,813	8,038	1,989	\$126	\$40	\$61	25.3	\$48,797	4.9	\$377	2.2
2026	2,246,667	678.8	8,863	8,258	2,032	\$131	\$41	\$62	26.1	\$49,194	4.9	\$372	2.2
2027	2,262,227	686.2	7,617	7,969	2,075	\$136	\$41	\$63	26.8	\$49,670	5.0	\$365	2.1
2028	2,275,305	693.3	5,617	7,692	2,118	\$141	\$42	\$64	27.2	\$50,110	5.1	\$358	2.1
2029	2,287,219	700.2	5,009	7,134	2,161	\$145	\$43	\$65	27.7	\$50,416	5.1	\$350	2.2
2030	2,297,546	706.6	3,987	6,668	2,204	\$150	\$44	\$67	28.1	\$50,793	5.1	\$342	2.1
2031	2,306,422	712.5	3,350	6,221	2,249	\$155	\$45	\$68	28.5	\$51,216	5.1	\$334	2.0
2032	2,313,478	718.1	2,432	6,031	2,293	\$160	\$46	\$70	28.9	\$51,562	5.1	\$326	2.2
2033	2,318,765	723.5	1,617	5,865	2,332	\$165	\$47	\$72	29.4	\$52,157	5.1	\$320	1.8
2034	2,322,361	728.8	932	5,497	2,364	\$171	\$48	\$73	29.8	\$52,711	5.1	\$313	2.0
2035	2,324,595	733.7	473	5,200	2,386	\$176	\$49	\$75	30.1	\$53,275	5.1	\$306	2.1
2036	2,326,325	738.3	722	5,109	2,404	\$182	\$51	\$77	30.4	\$53,691	5.1	\$298	2.5
2037	2,327,032	742.9	463	5,046	2,412	\$188	\$52	\$79	30.6	\$54,116	5.1	\$289	2.6
2038	2,327,188	747.4	619	4,713	2,412	\$195	\$53	\$81	30.9	\$54,643	5.1	\$281	2.4
2039	2,326,598	751.6	473	4,683	2,408	\$202	\$55	\$83	31.2	\$55,096	5.1	\$272	2.6
2040	2,325,197	755.8	395	4,633	2,405	\$208	\$56	\$85	31.4	\$55,594	5.2	\$264	2.5
2041	2,323,135	760.0	464	4,595	2,401	\$215	\$57	\$87	31.7	\$56,268	5.1	\$257	2.1
2042	2,320,814	764.1	744	4,858	2,400	\$222	\$58	\$89	32.1	\$56,971	5.1	\$251	2.0
2043	2,318,671	768.4	1,469	4,707	2,397	\$229	\$59	\$90	32.4	\$57,704	5.1	\$245	1.9
2044	2,316,479	772.6	1,965	4,847	2,393	\$236	\$60	\$92	32.8	\$58,500	5.2	\$239	1.7
2045	2,314,157	777.0	2,396	4,731	2,384	\$243	\$61	\$93	33.1	\$59,245	5.2	\$233	1.8
2046	2,311,393	781.2	2,410	4,724	2,378	\$250	\$63	\$95	33.4	\$59,928	5.2	\$227	1.9
2047	2,308,169	785.4	2,397	4,853	2,374	\$258	\$64	\$97	33.7	\$60,511	5.2	\$221	2.1
2048	2,304,752	789.8	2,637	4,916	2,372	\$265	\$65	\$99	33.9	\$61,067	5.2	\$215	2.2
2049	2,301,103	794.2	2,834	4,837	2,373	\$273	\$66	\$101	34.2	\$61,767	5.2	\$209	1.9
2050	2,296,858	798.5	2,796	4,763	2,375	\$281	\$68	\$103	34.5	\$62,420	5.2	\$203	2.0

## Employment Sectors

## 2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	710.1	2.2	32.7	54.9	63.3	123.8	23.0	84.8	5.0	109.9	68.3	118.8
2016	727.1	1.9	33.8	56.3	67.0	126.5	23.8	80.7	5.2	114.1	71.5	122.9
2017	751.0	2.2	35.2	56.3	79.6	126.9	22.4	80.3	5.2	119.7	75.2	124.6
2018	772.7	2.2	37.8	56.6	87.1	128.9	21.7	80.9	5.3	124.5	76.9	127.1
2019	788.6	2.2	38.3	56.1	93.4	128.8	22.6	82.5	5.1	129.4	77.9	128.9
2020	778.8	2.0	38.4	51.9	109.0	122.2	22.9	83.4	4.0	136.3	62.9	124.8
2021	818.1	2.0	39.9	51.7	125.4	127.3	23.3	89.9	4.1	138.9	70.8	122.5
2022	865.4	2.1	40.5	53.6	139.1	131.7	24.1	94.3	4.3	144.8	80.0	127.6
2023	893.0	2.1	41.9	53.9	146.8	133.5	24.1	94.9	4.4	148.6	87.6	131.0
2024	902.7	1.9	42.3	54.0	151.4	133.5	24.2	95.2	4.6	150.2	88.9	131.6
2025	910.6	1.8	41.6	54.1	157.1	132.8	24.2	95.9	4.7	152.8	89.2	131.0
2026	916.0	1.7	40.6	54.1	161.9	132.3	24.2	95.2	4.7	154.5	89.7	131.2
2027	925.0	1.7	40.9	54.6	165.8	132.3	24.1	95.6	4.7	157.4	89.9	131.7
2028	930.4	1.6	40.0	54.3	168.1	132.2	24.1	96.0	4.8	160.3	90.5	132.0
2029	937.4	1.6	39.6	54.1	171.1	132.6	24.1	96.3	4.8	163.2	91.0	132.2
2030	943.6	1.5	38.4	53.8	174.0	133.1	24.2	96.6	4.8	166.1	91.6	132.5
2031	949.8	1.4	37.7	53.6	176.6	133.3	24.2	96.8	4.8	168.9	92.2	132.8
2032	956.2	1.4	37.1	53.6	179.0	133.5	24.3	97.1	4.8	171.8	92.8	133.1
2033	962.9	1.3	36.9	53.6	181.3	133.7	24.4	97.3	4.8	174.7	93.5	133.4
2034	969.1	1.3	36.6	53.7	183.2	133.8	24.4	97.6	4.8	177.5	94.2	133.7
2035	975.2	1.3	36.2	53.8	185.0	134.0	24.5	97.8	4.8	180.4	94.9	134.0
2036	981.2	1.2	35.9	53.9	186.7	134.2	24.5	98.1	4.8	183.3	95.7	134.2
2037	987.4	1.2	35.9	54.0	188.4	134.3	24.6	98.3	4.8	186.1	96.5	134.4
2038	993.4	1.2	35.8	54.1	189.9	134.4	24.6	98.6	4.8	189.0	97.3	134.6
2039	999.2	1.1	35.7	54.3	191.3	134.4	24.7	98.8	4.8	191.8	98.2	134.9
2040	1,004.8	1.1	35.5	54.4	192.6	134.4	24.8	99.0	4.8	194.6	99.0	135.2
2041	1,010.7	1.1	35.6	54.5	193.9	134.4	24.8	99.3	4.8	197.5	99.8	135.5
2042	1,016.5	1.0	35.7	54.6	195.1	134.3	24.9	99.5	4.8	200.3	100.5	135.9
2043	1,022.3	1.0	35.8	54.7	196.4	134.3	24.9	99.7	4.8	203.1	101.3	136.2
2044	1,027.8	1.0	35.8	54.8	197.6	134.2	25.0	99.9	4.8	206.0	102.0	136.6
2045	1,033.4	0.9	35.9	54.9	198.8	134.2	25.0	100.1	4.8	208.8	102.8	136.9
2046	1,038.7	0.9	35.8	55.0	199.9	134.1	25.1	100.3	4.8	211.6	103.4	137.2
2047	1,043.9	0.9	35.8	55.1	201.0	134.0	25.1	100.5	4.8	214.4	104.1	137.5
2048	1,049.4	0.8	35.9	55.2	202.2	134.0	25.2	100.7	4.8	217.2	104.8	137.8
2049	1,054.8	0.8	35.9	55.3	203.4	133.9	25.2	100.9	4.8	220.0	105.4	138.1
2050	1,060.0	0.8	35.8	55.4	204.5	133.9	25.3	101.1	4.8	222.8	106.1	138.3

# San Bernardino County Economic Forecast

## Socioeconomic Indicators

